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OO RUEHQU
DE RUEHPU #0692 1091738
ZNR UUUUU ZZH
O 191738Z APR 06 ZDK
FM AMEMBASSY PORT AU PRINCE
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2828
INFO RUEHZH/HAITI COLLECTIVE
RUEHBR/AMEMBASSY BRASILIA 1013
RUEHSA/AMEMBASSY PRETORIA 0858
RUEHQU/AMCONSUL QUEBEC 0448
RUCPDOC/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS PORT AU PRINCE 000692

SIPDIS

SIPDIS

STATE FOR WHA/CAR
WHA/EPSC FOR FAITH CORNEILLE
EB/IFD
STATE PASS TO USAID FOR LAC/CAR
INR/IAA (BEN-YEHUDA)
TREASURY FOR JEFFREY LEVINE
COMMERCE FOR SCOTT SMITH

E.O. 12958: N/A
TAGS: ENRG ECON EFIN EINV EAID PGOV HA
SUBJECT: PREVAL ANNOUNCES HAITI TO JOIN PETROCARIBE

REF: A. 05 PAP 2720
     ¶B. 05 PAP 2596

¶1.  President-elect Preval announced to the press April 18
that Haiti will soon join Venezuelan President Hugo Chavez's
energy initiative, PetroCaribe.  Preval made the announcement
after returning from a five-day trip to Cuba, where he
discussed the subject of Petrocaribe with the Venezuelan
Ambassador to Cuba.  Preval's economic advisor Gabriel Verret
confirmed Preval's intention to Post, but said that Preval is
not aware of the constraints and the problems that need to be
addressed before Haiti can receive preferential oil rates.
Verret said that they will need a state-owned oil company,
which the country does not currently have, as an example of
one obstacle.

¶2.  Comment: President-elect Preval has emphasized the
importance of showing his supporters immediate improvements
following his inauguration.  Given the recent rise in oil
prices and the lack of electricity in Port-au-Prince, Preval
is under pressure to join PetroCaribe.  By announcing his
intention to join, he shows his supporters a concrete effort
to improve two of Port-au-Prince's most pressing concerns.
Post will continue to pressure Preval against joining
PetroCaribe.  Ambassador will see Preval's senior advisor Bob
Manuel today.  In previous meetings, he has acknowledged our
concerns and is aware that a deal with Chavez would cause
problems with us.  End comment.
SANDERSON

======================CABLE ENDS============================
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